STAFF REPORT ON COMPLIANCE WITH VOLUNTARY PROCUREMENT AND EMPLOYMENT CONDITIONS 1ST QUARTER, 1998

Prepared for June 16, 1998, Board Meeting

This report illustrates riverboat gaming licensees' compliance with the voluntary procurement and employment conditions proposed in their respective applications.

These conditions were proposed by each of the applicants who received licenses to conduct riverboat gaming in the State of Louisiana.

The Louisiana Riverboat Economic Development and Gaming Control Act provides for fifteen riverboat casinos to operate in the State of Louisiana. As of this date of this report, thirteen riverboat casinos are currently operating in the State of Louisiana.

This report is taken from figures reported by thirteen operating riverboats to the Louisiana Gaming Control Board for the first calendar quarter of 1998. Approximately, 15,271 people were employed by the riverboat industry for the 1998 first calendar quarter. Of that number, 14,998 were Louisiana residents, 8,493 were minorities and 8,540 were women.

Where the application did not set forth a specific procurement or employment figure, but instead relied on census figures to state the proposed goals, 1990 census figures have been supplied to illustrate that licensee's level of compliance.

1. LOUISIANA RIVERBOAT GAMING PARTNERSHIP: (Isle of Capri Casino)

Preliminary Approval: March 12, 1993 Operations commenced: April 22, 1994

A. Voluntary Conditions:

I. Employment Conditions:

- a. Hire 75% Louisiana residents.
- b. Hire 24.3% minorities and women or in proportion with the population of state or parish, whichever is greater.
- c. Hire 770 persons in riverboat and support operations.

ii. Procurement Conditions:

- a. Procure 75% of goods and services from or through Louisiana companies, excluding Riverboat construction and purchase of gaming devices and supplies.
- b. Procure 10% and 10% of goods and services from minority and women majority-owned firms.

B. Actual Results per Quarterly Reports supplied by Riverboats:

March 31, 1998

I. Employment Results:

Total 1,308 Louisiana 98.62% Female 56.50% Minority 63.38%

ii. Procurement Results:

Total La. 64.65% Minority 19.07% Female 30.94%

C. <u>1990 Statewide census results:</u>

Minority Percentage: 34.76% Female Percentage: 51.86%

2. RED RIVER ENTERTAINMENT: (Harrah's Shreveport)

Preliminary Approval: March 12, 1993 Operations commenced: April 18, 1994

A. <u>Voluntary Conditions:</u>

I. Employment Conditions:

a. Hire 80% Louisiana residents.

- b. Hire minorities and women in proportion with the population of the state or parish, whichever is greater.
- c. Hire 700 persons in riverboat and support operations.

ii. Procurement Conditions:

- a. Procure 60% of goods and services from or through Louisiana companies, excluding Riverboat construction and purchase of gaming devices and supplies.
 - b. Procure 25% of goods and services from minority owned firms.
 - c. Procure 10% of goods and services from female majority-owned firms.

B. <u>Actual Results per Quarterly Reports supplied by Riverboats:</u>

March 31,1998

I. Employment Results:

Total 1,331 Louisiana 97.7% Female 59.4% Minority 79.9%

ii. Procurement Results:

Total La. 72.8% Minority 24.8% Female 11.7%

C. 1990 Statewide census results:

Minority Percentage: 34.76% Female Percentage: 51.86%

3. PLAYERS LAKE CHARLES:

(Players II)

Preliminary Approval: March 12, 1993 Operations commenced: December 8, 1994

A. <u>Voluntary Conditions:</u>

1. **Employment Conditions:**

- a. Hire 75% Louisiana residents.
- b. Hire minorities and women in proportion with the population of the state or parish, whichever is greater.
- c. Hire 800 persons in riverboat and support operations.

2. **Procurement Conditions:**

- a. Procure 60% of goods and services from or through Louisiana companies, excluding Riverboat construction and purchase of gaming devices and supplies.
- b. Procure 10% (minorities) and 9% (female) of goods and services from minority and female majority-owned firms during preopening construction period.
- c. Procure 5% (minorities) and 5% (female) of goods and services from minority and female majority-owned firms during post construction period.

B. Actual Results per Quarterly Reports supplied by Riverboats:

March 31, 1998

I. Employment Results:

Total 1,159 Louisiana 97.93% Female 56% Minority 51%

ii. Procurement Results:

Total La. 82.27% Minority 10% Female 18.41%

C. 1990 Statewide census results:

Minority Percentage: 34.76% Female Percentage: 51.86%

4. SHOWBOAT STAR PARTNERSHIP: (Star Casino)

Preliminary Approval: March 26, 1993 Operations commenced: October 24, 1994

A. Voluntary Conditions:

I. Employment Conditions:

- a. Hire 70% Louisiana residents.
- b. Hire 25% minorities and 45% women.
- c. Hire 800 persons in riverboat and support operations.

ii. Procurement Conditions:

- a. Procure 80% of goods and services from or through Louisiana companies, excluding Riverboat construction and purchase of gaming devices and supplies.
- b. Procure 10% and 10% of goods and services from minority and women majority-owned firms.

B. Actual Results per Quarterly Reports supplied by Riverboats:

March 31, 1998

I. Employment Results:

Total 685
Louisiana 97.96%
Female 57%
Minority 52%

ii. Procurement Results:

Total La. 78.38% Minority 28.89% Female 20.05%

C. <u>1990 Statewide census results:</u>

Minority Percentage: 34.76%

Female Percentage: 51.86%

5. **HORSESHOE ENTERTAINMENT:** (The Horseshoe)

Preliminary Approval: March 26, 1993 Operations commenced: July 9, 1994

A. Voluntary Conditions:

I. Employment Conditions:

- a. Hire 75% Louisiana residents.
- b. Hire minorities and women in proportion to the population of the state or parish, whichever is greater.
 - c. Employ 1000 persons in riverboat and support operations.

ii. Procurement Conditions:

- a. Procure 75% of goods and services from or through Louisiana companies, excluding Riverboat construction and purchase of gaming devices and supplies.
- b. Procure 35% and 35% of goods and services from minority and women majority-owned firms.

B. Actual Results per Quarterly Reports supplied by Riverboats:

March 31, 1998

I. Employment Results:

Total 2,940

Louisiana 98.2% Female 58.4% Minority 59.7%

ii. Procurement Results:

Total La. 74% Minority 15% Female 15%

C. <u>1990 Statewide census results:</u>

Minority Percentage: 34.76% Female Percentage: 51.86%

6. LOUISIANA-I GAMING: (Boomtown Belle Casino)

Preliminary Approval: June 18, 1993 Operations commenced: August 5, 1994

A. <u>Voluntary Conditions:</u>

I. Employment Conditions:

- a. Hire 90% Louisiana residents.
- b. Hire minorities and women in proportion to the population of the state or parish, whichever is greater.
 - c. Employ 550 persons in riverboat and support operations.

ii. Procurement Conditions:

- a. Procure 80% of goods and services from or through Louisiana companies, excluding Riverboat construction and purchase of gaming devices and supplies.
- b. Procure 15% and 15% of goods and services from minority and women majority-owned firms.

B. Actual Results per Quarterly Reports supplied by Riverboats:

March 31, 1998

I. Employment Results:

Total 1,116 Louisiana 99.6% Female 58.7% Minority 42.3%

ii. Procurement Results:

Total La. 97.8% Minority 4.4% Female 15%

C. 1990 Statewide census results:

Minority Percentage: 34.76% Female Percentage: 51.86%

7. CATFISH QUEEN PARTNERSHIP/JAZZ ENTERPRISES: (Belle of Baton Rouge)

Preliminary Approval: March 26, 1993 Operations commenced: September 30, 1994

A. <u>Voluntary Conditions:</u>

I. Employment Conditions:

- a. Hire 90% Louisiana residents.
- b. Hire minorities and women in proportion to the population of the state or parish, whichever is greater.
 - c. Employ 800 persons in riverboat and support operations.

ii. Procurement Conditions:

a. Procure 75% of goods and services from or through Louisiana companies, excluding Riverboat construction and purchase of

gaming devices and supplies.

b. Procure 15% and 15% of goods and services from minority and women majority-owned firms.

B. Actual Results per Quarterly Reports supplied by Riverboats:

March 31, 1998

I. Employment Results:

| Total | 829 |
|-----------|--------|
| Louisiana | 99.03% |
| Female | 48.37% |
| Minority | 54.04% |

ii. Procurement Results:

Total La. 78.10% Minority 11.51% Female 15.53%

C. <u>1990 Statewide census results:</u>

Minority Percentage: 34.76% Female Percentage: 51.86%

8. TREASURE CHEST CASINO, L.L.C.: (Treasure Chest)

Preliminary Approval: June 18, 1993 Operations commenced: September 5, 1994

A. Voluntary Conditions:

I. Employment Conditions:

- a. Hire 80% Louisiana residents.
- b. Hire minorities and women in proportion to the population of the state or parish, whichever is greater.
 - c. Employ 500 persons in riverboat and support operations.

ii. **Procurement Conditions:**

- a. Procure 75% of goods and services from or through Louisiana companies, excluding Riverboat construction and purchase of gaming devices and supplies.
- b. Procure 15% and 15% of goods and services from minority and women majority-owned firms.

B. Actual Results per Quarterly Reports supplied by Riverboats:

March 31, 1998

I. Employment Results:

| Total | 1,276 |
|-----------|--------|
| Louisiana | 99.37% |
| Female | 46.32% |
| Minority | 36.29% |

ii. Procurement Results:

Total La. 92.73% Minority 17.53% Female 19.56%

C. <u>1990 Statewide census results:</u>

Minority Percentage: 34.76% Female Percentage: 51.86%

9. LOUISIANA CASINO CRUISES: (Casino Rouge)

Preliminary Approval: March 26, 1993 Operations commenced: December 28, 1994

A. <u>Voluntary Conditions:</u>

I. Employment Conditions:

- a. Hire 80% Louisiana residents.
- b. Hire minorities and women at 30% and 35% respectively, or in proportion to the population of the state or parish,

whichever is greater.

c. Employ 600 persons in riverboat and support operations.

ii. Procurement Conditions:

a. Procure 80% of goods and services from or through Louisiana companies, excluding Riverboat construction and purchase of gaming devices and supplies.

b. Procure 10% and 10% of the total cost of goods and services from minorities and women (respectively) majority owned suppliers and firms during the re-opening construction phase. During the post-opening operating phase, to procure 10% and 10% of the total cost of goods and services from minorities and women (respectively) majority owned suppliers

B. Actual Results per Quarterly Reports supplied by Riverboats:

March 31, 1998

I. Employment Results:

and firms.

Total 905

Louisiana 99.45% Female 52.60% Minority 57.02%

ii. Procurement Results:

Total La. 76.49% Minority 6.02% Female 6.06%

C. 1990 Statewide census results:

Minority Percentage: 34.76% Female Percentage: 51.86%

10. BELLE OF ORLEANS, L.L.C.: (The Belle of Orleans)

Preliminary Approval: June 18, 1993 Operations commenced: July 7, 1995

A. Voluntary Conditions:

I. Employment Conditions:

- a. Hire 70% Louisiana residents.
- b. Hire minorities and women in proportion with the population of state or parish, whichever is greater.
- c. Hire 400 persons in riverboat and support operations.

ii. Procurement Conditions:

- a. Procure 80% of goods and services from or through Louisiana companies, excluding Riverboat construction and purchase of gaming devices and supplies.
 - b. Procure 30% of goods and services from minority owned firms.
 - c. Procure 10% of goods and services from majority female owned firms.

B. Actual Results per Quarterly Reports supplied by Riverboats:

March 31, 1998

I. Employment Results:

| Total | 869 |
|-----------|-----|
| Louisiana | 97% |
| Female | 55% |
| Minority | 66% |

ii. Procurement Results:

Total La. 78% Minority 21.20% Female 3%

C. <u>1990 Statewide census results:</u>

Minority Percentage: 34.76% Female Percentage: 51.86%

11. ST. CHARLES GAMING COMPANY, INC. (Isle of Capri - Lake Charles)

Preliminary Approval: June 18, 1993 Operations commenced: July 29, 1995

A. Voluntary Conditions:

1. **Employment Conditions:**

- a. Hire 75% Louisiana residents.
- b. Hire minorities and women in proportion with the population of the state or parish, whichever is greater.
- c. Hire 650 persons in riverboat and support operations.

2. **Procurement Conditions:**

- a. Procure 60% of goods and services from or through Louisiana companies.
- b. Procure 10% and 10% of goods and services from minority and women majority-owned suppliers and firms.

B. <u>Actual Results per Quarterly Reports supplied by Riverboats:</u>

March 31, 1998

I. Employment Results:

Total 1,342

Louisiana 96.5% Female 57.68% Minority 48.06%

ii. Procurement Results:

Total La. 71.93% Minority 12.34% Female 21.08%

C. 1990 Statewide census results:

Minority Percentage: 34.76% Female Percentage: 51.86%

12. **GRAND PALAIS RIVERBOAT, INC.** (Isle of Capri - Westlake)

Preliminary Approval: June 18, 1993 Operations commenced: July 12, 1996

A. Voluntary Conditions:

1. Employment Conditions:

- a. Hire 90% Louisiana residents.
- b. Hire minorities and women in proportion with the population of the state or parish, whichever is greater.
- c. Hire 520 persons in riverboat and support operations.

2. **Procurement Conditions:**

- a. Procure 90% of goods and services from or through Louisiana companies.
- b. Procure 10% and 8% of goods and services from minority and women majority-owned suppliers and firms.

B. Actual Results per Quarterly Reports supplied by Riverboats:

March 31, 1998

I. Employment Results:

Total 525 Louisiana 90.4% Female 59.81% Minority 37.90%

ii. Procurement Results:

Total La. 60.44% Minority 10.58% Female 7.11%

C. 1990 Statewide census results:

Minority Percentage: 34.76% Female Percentage: 51.86%

13. CRESCENT CITY CAPITAL DEVELOPMENT CORP. (Casino Magic - Bossier City)

Preliminary Approval: June 18, 1993 Operations commenced: October 4, 1996

A. Voluntary Conditions:

1. Employment Conditions:

- a. Hire 80% Louisiana residents.
- b. Hire minorities and women in proportion with the population of the state or parish, whichever is greater.
- c. Hire 775 persons in riverboat and support operations.

2. **Procurement Conditions:**

- a. Procure 80% of goods and services from or through Louisiana companies.
- b. Procure 10% and 10% of goods and services from minority and women majority-owned suppliers and firms.

B. Actual Results per Quarterly Reports supplied by Riverboats:

March 31, 1998

I. Employment Results:

Total 986 Louisiana 98% Female 57% Minority 59%

ii. Procurement Results:

Total La. 64.4% Minority 3.6% Female 10.6%

C. 1990 Statewide census results:

Minority Percentage: 34.76% Female Percentage: 51.86%